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Date of Deposit: 3-9-06

By: Tamie Lindquist

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

IN RE APPLICATION OF
Leonard Sadjadi

DOCKET NO. 2065JB.37332

SERIAL NO.: 09/736,354

EXAMINER: La, Anh V.

FILED: 12/14/2000

GROUP UNIT: 2636

TITLE: Lighted Status Indicator Corresponding
to the Positions of Circuit Breaker, Switch or Fuse

CO-ASSIGNEE MICRIN'S PETITION FOR REVIEW BY THE
COMMISSIONER IN PERSON UNDER HIS SUPERVISORY AUTHORITY

Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Dear Sir:

I hereby authorize the Commissioner to charge any required fee associated with this Response to Bracewell & Giuliani LLP, Deposit Account No. 50-0259 (2065JB.37332).

In response to the February 22, 2006 Decision from the Office of Petitions dismissing Applicant and Co-Assignee Micrin Technologies Corporation ("MICRIN") petitions under 37 U.S.C. §1.182, in the above-style application, MICRIN respectfully requests that the Commissioner in person reconsider the dismissals pursuant to the Commissioner's supervisory authority. The 2/22/2006 Decision presents such unusual and exceptional circumstances as to merit review by the Commissioner in person. *See In re Burkner*, 3 U.S.P.Q.2d 1630, 1633 (Comm'r Pat. & Trademarks 1987); *see also Corrigan v. Alexeevsky*, 200 U.S.P.Q. 368, 369 (Comm'r Pat. & Trademarks 1978); *In re Burkner*, 189 U.S.P.Q. 284, 285 (Comm'r Pat. & Trademarks 1974).

STATEMENT OF THE FACTS

The sole inventor, Leonard Sadjadi, granted power of attorney to James E. Bradley. *See* Exhibit A, attached hereto. The rights in the invention disclosed in U.S. Patent Application Serial No. 09/736,354 ("the Application"), were assigned by Inventor Leonard Sadjadi such that MICRIN and L.S. Unico, Inc.'s ("UNICO") were each Fifty Percent (50%) co-owners of the invention. *See* Exhibit B, attached hereto. The assignment was recorded with the USPTO on December 14, 2000, and is found on Reel/Frame No.: 011366/0447. *See* Exhibit B.

UNICO attempted to unilaterally revoke the power of attorney with a new power of attorney that accompanied an Amendment and Response received by the USPTO on October 17, 2003 (hereinafter "the 10/17/2003 Amendments"). *See* Exhibit C, attached hereto. UNICO's revocation and new power of attorney was not signed by MICRIN and was only signed by a representative (Leonard Sadjadi) for UNICO. UNICO's new power of attorney granted power of attorney for UNICO to Roger Chauza and Mark Handley (hereinafter "UNICO's Attorneys"). UNICO filed a statement under the provisions of 37 C.F.R. §3.73(b) with the revocation and new power of attorney to UNICO's Attorneys in order to establish UNICO's right to prosecute the Application as an assignee. The statement under 37 C.F.R. §3.73(b) identified UNICO as a fifty percent (50%) co-owner of the invention in the Application.

MICRIN, the other fifty percent (50%) co-owner and partial assignee of record, did not grant power of attorney to UNICO's Attorneys, who filed the 10/17/2003 Amendments. MICRIN also never revoked the power of attorney in James E. Bradley.

Nonetheless, the USPTO accepted the revocation and new power of attorney only signed by UNICO and filed with the 10/17/2003 Amendments even though the statement under 37 C.F.R. §3.73(b) and accompanying copy of the assignment showed that UNICO was not the assignee of the entire rights in the application, and that inventor Leonard Sadjadi had assigned the other fifty percent (50%) co-ownership to MICRIN. Moreover, UNICO did not file a petition under either 37 C.F.R.

§1.47 or 37 C.F.R. §1.182 seeking permission to prosecute the Application without MICRIN, which was shown to be a partial assignee by UNICO's own statement under 37 C.F.R. §3.73(b) and accompanying copy of the assignment.

UNICO proceeded to prosecute the Application and MICRIN was not included in the decisions, advised of, nor asked to sign several documents affecting the scope of protection in the Application. For example, neither MICRIN nor MICRIN's attorneys signed the 10/17/2003 Amendments that canceled every claim in the Application and added new claims. UNICO did not consult with MICRIN or MICRIN's attorneys in the preparation of 10/17/2003 Amendments. UNICO also proceeded to file (1) an Election of claims on or about June 14, 2004, for prosecution in response to the Examiner's restriction requirement; and (2) an Amendment and Response after final rejection on January 3, 2005, that amended the remaining claims of the above-styled application. Neither MICRIN nor MICRIN's attorneys knew of or signed either of these documents. Significantly, through the course of the filings of the 10/17/2003 Amendments, the Election, and the 1/3/2005 Amendments, every claim that was present in the Application the last time that MICRIN was included in the prosecution of the Application was cancelled, and the scope of the claims was narrowed. UNICO was allowed to prosecute the Application, and MICRIN, a fifty-percent (50%) co-owner and partial assignee of record, was not advised of or included in any of these decisions, even though the USPTO never granted any petition under either 37 C.F.R. §1.47 or 37 C.F.R. §1.182.

The USPTO sent a notice of allowance for the claims that MICRIN was never consulted or advised about on February 22, 2005, and UNICO pay the issue fee on May 5, 2005. Again, without either advising or consulting MICRIN, UNICO did not include any information regarding the assignees of record.

Following receipt of the notice of allowance, on March 16, 2005, UNICO and Sadjadi, in his individual capacity, filed suit against MICRIN in the Dallas County Court of the State of Texas. One

of the remedies sought was for the court to declare the assignment of Sadjadi's interests in the Application void.

After discovering of the pending issuance of the Application with claims that MICRIN had not been consulted or advised about, MICRIN filed its petition to withdraw the Application from issuance on July 12, 2005. The Office informed MICRIN that this could only be done by abandoning the application, or by abandoning the application in favor of a continuation application. On July 18, 2005, MICRIN expressly abandoned the Application and filed a continuation application (S.N. 11/183,431) with claims in the state that they were before UNICO unilaterally began prosecuting the Application without advising and consulting MICRIN.

On July 18, 2005, MICRIN's petition was granted and UNICO's unilateral revocation and power of attorney was vacated because MICRIN never revoked the power of attorney in James E. Bradley, and UNICO never filed a petition to excuse the absence of MICRIN.

On August 10, 2005, UNICO filed its Petition under 37 C.F.R. §1.182 to revive the Application. UNICO submitted a copy of the lawsuit that UNICO and Leonard Sadjadi filed and pointed to MICRIN being represented by the same law firm before the USPTO and for defending against UNICO's lawsuit, as evidence of why MICRIN's petition should not have been granted. UNICO also submitted copies of correspondence pertaining to an offer to sell MICRIN's interest in the Application back to Leonard Sadjadi, which was never completed, as evidence of why UNICO's revocation and power of attorney was proper. Furthermore, UNICO also resubmitted UNICO's revocation and power of attorney – this time as part of a request for the USPTO to excuse the other partial assignee.

On November 18, 2005, the Petitions Examiner ruled that UNICO's unilateral revocation and power of attorney was proper, and therefore, James E. Bradley did not have any authority to expressly abandon the Application. Without citing a statute, rule, regulation, or section in the MPEP from which

the Petitions Examiner was relying, the Petitions Examiner listed the parties who can revoke the power of attorney as being:

- (1) A single assignee of the entire interest in the application;
- (2) All partial assignees, or all partial assignees and inventors who have not assigned their right, title, and interest in the application; and
- (3) All the inventors.

See the 11/18/2005 Decision, p. 1. The Petitions Examiner then went on to state that UNICO's unilateral revocation and power of attorney was proper. The Petitions Examiner explained that UNICO's unilateral revocation and power of attorney was proper because Leonard Sadjadi was the sole inventor and he had signed UNICO's revocation and power of attorney, even though his signature was actually in his capacity as the Director with authority to act on behalf of UNICO. The Petitions Examiner also stated that Leonard Sadjadi was allowed to revoke the power of attorney in James E. Bradley without MICRIN because MICRIN had not filed a petition under 37 CFR §3.71[sic] to exclude Leonard Sadjadi from the prosecution of the Application.

On November 23, 2005, MICRIN requested reconsideration of Petitions Examiner's November 18, 2005 decision. MICRIN pointed out that no rule was ever cited as the basis of the Petitions Examiner's decision, and that the Petitions Examiner was interpreting the rules in a manner that was contrary to the intent of the rules and procedures for the USPTO. Specifically, the rules and procedures for prosecution before the USPTO were designed to protect the interest holders of the patent applications, and an interest holder or partial assignee is not supposed to be excluded from the prosecution in the manner done to MICRIN without a petition to do so first being filed and granted by the USPTO.

On December 7, 2005, MICRIN also filed a petition under 37 C.F.R. §3.81 to include the Assignees on the face of the patent issuing from the Application as an alternative solution. MICRIN asserted that it could be proper to grant such a request due to the fact that MICRIN had not been given the opportunity to have this information added to the Issue Fee Transmittal because MICRIN had been

excluded from the prosecution of the Application even though no petition to act without MICRIN had ever been filed.

On February 22, 2006, the Petitions Examiner dismissed both of MICRIN's filings. Without citing a statute, rule, regulation, or section in the MPEP from which the Petitions Examiner was relying again, the Petitions Examiner listed the parties who can revoke the power of attorney as being:

- (1) A single assignee of the entire interest in the application;
- (2) All partial assignees, or all partial assignees and inventors who have not assigned their right, title, and interest in the application; and
- (3) All the inventors *unless the inventors have been excluded per 37 CFR 3.71.*

See the 2/22/2005 Decision, p. 1 (*emphasis* added for additional matter to the Petitioner Examiner's rule). The Petitions Examiner ruled again that the signature of Leonard Sadjadi was all that was necessary for UNICO's unilateral revocation and power of attorney, even though Leonard Sadjadi had assigned all of his interests in the Application; the assignment accompanying UNICO's revocation and power attorney showed that UNICO and MICRIN were fifty percent (50%) co-owners of the Application; UNICO was the only party filing the revocation and power of attorney; the UNICO revocation and power of attorney was within the filing that was a statement under the provisions of 37 C.F.R. §3.73(b) to establish UNICO's rights to prosecute the Application; Loenard Sadjadi was acting in his capacity as the Director of UNICO; and no petition was filed to excuse the absence of partial assignee MICRIN.

Based upon this ruling, the Petitions Examiner also ruled that James E. Bradley did not have the authority to withdraw the Application from issuance, and that the Application back must issue even though it was prosecuted and the issue fee was paid without advising or consulting MICRIN. Furthermore, although the Petitions Examiner stated that the USPTO does not take sides or get involved in ownership disputes, the Petitions Examiner refused to correct the assignee information before issuance of a patent from the Application, and also ruled that the USPTO will not issue a

certificate of correction to indicate the record owners upon issuance until the court in Texas determines MICRIN's ownership interests.

Because the dismissal of MICRIN's filings were not final agency decisions, MICRIN cannot even appeal to a court, and is only left with the unusual remedy of requesting reconsideration by the Commissioner in person.

RECONSIDERATION OF THE DECISION

The Petitions Examiner's Decision presents such unusual and exceptional circumstances as to merit review by the Commissioner in person. See *See In re Burkner*, 3 U.S.P.Q.2d 1630, 1633 (Comm'r Pat. & Trademarks 1987); *see also Corrigan v. Alexeevsky*, 200 U.S.P.Q. 368, 369 (Comm'r Pat. & Trademarks 1978); *In re Burkner*, 189 U.S.P.Q. 284, 285 (Comm'r Pat. & Trademarks 1974). The ruling that UNICO's unilateral revocation and new power of attorney was proper even though UNICO failed to file a petition to excuse the absence of, and prosecute the application without partial assignee of record MICRIN, was an incorrect interpretation and application of the rules that is contrary to the spirit, intent, and purpose of the rules, regulations, and procedures governing the USPTO. Such a ruling endorses a policy allowing either a partial assignee or an inventor having no ownership interests in the Application to prosecute the Application without the other partial assignee(s) before obtaining permission from the USPTO.

The record is clearly shows four important facts;

- (1) Sadjadi granted power of attorney to James E. Bradley (Exhibit A);
- (2) Sadjadi assigned his interests in the Application to UNICO and MICRIN as fifty percent (50%) co-owners, partial assignees, and the assignment was recorded with the USPTO (Exhibit B);
- (3) Partial assignee UNICO attempted to revoke the power of attorney in James E. Bradley and grant a new power of attorney to UNICO's attorneys without MICRIN (Exhibit C); and
- (4) UNICO did not seek permission from the USPTO to excuse the absence of MICRIN (Exhibit C).

In both the 11/18/2005 and 2/22/2006 Decisions, the Petitions Attorney listed parties that can revoke a previously accepted power of attorney. Neither Decision provided the legal statute, rule, or regulation for the authority of the statement of the law relied upon by the Petitions Examiner. In fact, the list changed from the 11/18/2005 Decision to the 2/22/2006 Decision. MICRIN respectfully submits that the Petitions Attorney has incorrectly applied the rules in a manner that is contrary to the rules and threatens assignees rights.

The Petitions Attorney references 37 C.F.R. §3.71¹ titled "Prosecution by Assignee," and appears to follow the language in 37 C.F.R. §3.71(b) for situation number (2) of "All partial assignees, or all partial assignees and inventors who have not assigned their right, title and interest in the application, who together own the entire right, title and interest in the application." However, the Petitions Examiner's ruling neglects to consider the language following inventors (i.e., those inventors "who have not assigned their right, title and interest in the application") in coming to the rulings in the 11/18/2005 and 2/22/2006 Decisions.

The Petitions Examiner also did not reference MPEP 324, titled "Establishing Right of Assignee To Take Action," which provides further guidance with respect to 37 C.F.R. §3.71 and the parties that can prosecute an application. The provisions of MPEP 324 explain that Rule 3.71 identifies the owner or assignee that can take action in patent matters before the USPTO. Section 324 of the MPEP states:

A national patent application is owned by *one of the following individual or composite entities*: (A) the inventor(s); (B) an assignee or multiple assignees of the inventor(s); or (C) some combination of the assignee(s), and inventor(s) who have not assigned away their right, title and interest in the application.

As discussed [] below, all parties having any portion of the ownership must join in 'taking action' (i.e., act together as a composite entity) in order to be entitled to conduct the prosecution in patent matters.

¹ The Examiner actually references "37 CFR 1.371." MICRIN believes that this was merely a grammatical error as there is not a 37 CFR 1.371, and rules are often shorthanded in a manner that 37 CFR 3.71 would sometimes be referred to as "Rule 1.371."

See MPEP 324 (emphasis added). Section 324 of the MPEP then provides that the combination of all assignees and inventors retaining ownership interest is needed to conduct the prosecution of an application before the USPTO unless a petition seeking permission to proceed without the remaining owner (either a partial assignee or an inventor retaining an ownership interest) is granted. The clear intent of both Rule 3.71 and MPEP 324 is that all parties having an ownership interest must act together in taking actions before the USPTO unless one of the parties has sought permission from the USPTO to proceed without the other(s).

As was evidenced by UNICO's own statement under 3.73(b), MICRIN and UNICO were both fifty percent (50%) co-owners, or partial assignees of record in the Application, and Leonard Sadjadi no longer retained any ownership interests in the Application. Accordingly, based upon UNICO's own statement under 3.73(b), Leonard Sadjadi had assigned away all of his rights, title and interest in the Application, and neither MICRIN nor UNICO could act alone in the prosecution of the Application. Moreover, UNICO did not petition the USPTO in order to obtain permission to prosecute the Application without MICRIN. Therefore, under the provisions of Rule 3.71 and according to the guidelines of MPEP 324, James E. Bradley still had power of attorney over the Application because UNICO's revocation and power of attorney was improper and should not have been accepted by the USPTO.

The Petitions Attorney also did not reference 37 C.F.R. §1.36, titled "Revocation of power of attorney; withdrawal of patent attorney or patent agent." Section (a) of 37 C.F.R. §1.36 pertains to revocations, and section (b) pertains to withdrawals by patent attorneys and patent agents. According to section (a) of 37 C.F.R. §1.36:

An assignment will not of itself operate as a revocation of a power previously given, but the assignee of the entire interest of the applicant may revoke previous powers of attorney and give another power of attorney of the assignee's own selection as provided in § 1.32(b).

Accordingly, when Leonard Sadjadi assigned his rights, title and interest in the Application to UNICO and MICRIN as fifty-percent (50%) co-owners of the invention, the power of attorney previously granted to James E. Bradley was not revoked. However, Leonard Sadjadi no longer had any rights, title and interest in the invention and the Application. Rather UNICO and MICRIN were the co-equal owners of the rights, titles and interests in the invention and the Application. Section (a) of 37 C.F.R. §1.36 also states that fewer than all the applicants or assignees of the entire interest of the application "may only revoke the power of attorney upon a showing of sufficient cause, and payment of the petition fee set forth in §1.17(h)."

When Rule 1.36(a) is read with section 402.10 of the Manual of Patent Examining Procedure, the reason for not accepting revocation of power of attorneys by fewer than all the interest-holders/owners of a patent application absent a petition showing sufficient reasons becomes evident. The acceptance of such papers results "in more than one attorney, agent, applicant, or owner prosecuting the application at the same time," and "each of those parties must sign all subsequent replies submitted to the Office." This is to ensure that each interest-holder/owner of the patent application is being spoken for with the USPTO unless the USPTO has been shown good and sufficient reasons why a revocation should be accepted by fewer than all interest-holders/owners.

Not only is the Petitions Examiner's ruling contrary to the letter of the law, but it also frustrates the purpose and intent of Rule 1.36 and MPEP 402.10. Accepting UNICO's revocation and power of attorney without a petition showing sufficient cause why MICRIN was not included, allowed UNICO to prosecute the Application behind MICRIN's back. UNICO never had to consult or advise MICRIN of any of the actions it took and decisions it made with respect to the Application. These actions and decisions included canceling and replacing each and every claim that was in the Application the last time MICRIN was included in the prosecution. This is the precise outcome that the rules, regulations, and procedures governing prosecutions before the USPTO is designed to prevent.

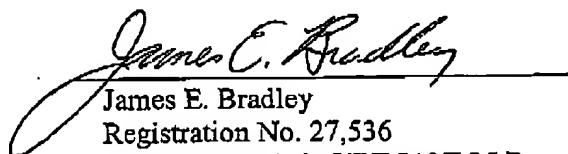
The rules, regulations, and procedures are designed to protect the interests of the owners of the rights, titles, and interests in the patent application, whether each owner is an assignee or inventor who has not assigned away their ownership rights. However, MICRIN respectfully disagrees with the application of the Petition Examiner's interpretation of the rules because it vitiates and neglects the rights of assignees. Under the Petition Examiner's application of the rules, the inventor(s) can revoke the power of attorney at any time, with or without the knowledge and consent of all the owners of the rights, titles, and interests in a patent application. Applicant respectfully submits that such a result is inequitable on its face and cannot be the intended or desired outcome of the USPTO.

CONCLUSION

For the reasons above herein, MICRIN respectfully submits that the circumstances are so unusual and exceptional for the Commissioner in person to reverse the prior rulings of the Petitions Examiner in the 11/18/2005 and 2/22/2006 Decisions. Otherwise, the Commissioner would be endorsing the unilateral prosecution by a single partial assignee of the patent applications without the knowledge and consent of the remaining partial assignees of record.

Respectfully submitted,

Dated: March 9, 2006



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